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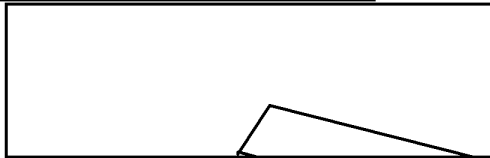
CIN/OCER/ S-5821-74



January 1974

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MEMORANDUM FOR:



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THROUGH :

SUBJECT :

Arab Monetary Data

1. This memorandum is in response to your request of 9 January for data on Arab oil producers' financial aid to Egypt and Syria and on current Arab revenues and expenditures.

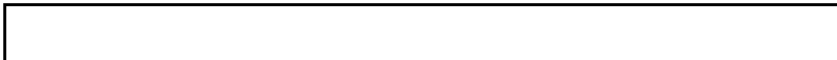
2. Since 5 October 1973, the wealthy Arab oil-producing nations have pledged about \$2 billion to Syria and \$1 billion to Egypt. Kuwait and Saudi Arabia have made the largest offers.

3. Actual transfers total only about \$1 billion with Syria and Egypt receiving roughly equal amounts. Much of the remainder of the pledges probably will be carefully distributed to ensure that the money will be used for military purposes. Egypt, in the past, has used aid disbursed for military purposes to finance their large civilian current account deficits.

4. The Table shows oil revenues and current account expenditures of the Arab oil producers. The data assume that major exporters' oil prices and production will remain at current levels throughout 1974. (Production is now about 35% of September 1973 output.) Imports, grants, and other current transfers for 1974 are assumed to expand rapidly, although possible large-scale outlays for aid to developing countries or the purchase of western manufacturing plants or technology are not taken into account.

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6. [Redacted] will be pleased to answer any further questions you have on this subject.

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[Redacted]

Acting Chief
Trade and Monetary Analysis Branch

Attachment:
As stated

Distribution: (S-5821)
Orig & 1 - Addressee
1 - D/OER
1 - D/I
1 - SA/ER
1 - St/P
1 - I/TM
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OER/I/TM [Redacted] (14 January 1974)

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OIL REVENUE AND CURRENT ACCOUNT EXPENDITURE
OF THE ARAB PRODUCING COUNTRIES

Billion US \$

	<u>Oil Revenue</u>		<u>Total Foreign Exchange Earnings</u>		<u>Imports, Grants, and Other Current Transfers</u>		<u>Current Account Balance</u>	
	<u>1973</u> <u>Estimated</u>	<u>1974</u> <u>Projected</u>	<u>1973</u> <u>Estimated</u>	<u>1974</u> <u>Projected</u>	<u>1973</u> <u>Estimated</u>	<u>1974</u> <u>Projected</u>	<u>1973</u> <u>Estimated</u>	<u>1974</u> <u>Projected</u>
Total	15.1	50.6	15.9	51.8	8.8	11.5	7.1	40.3
Saudi Arabia	5.5	19.9	5.7	20.1	3.2	3.5	2.5	16.6
Kuwait	1.9	7.3	2.1	7.6	1.0	1.6	1.1	6.0
Libya	2.3	7.0	2.3	7.0	1.3	1.7	1.0	5.3
Algeria	1.0	3.4	1.4	3.9	1.4	1.8	---	2.1
Iraq	1.7	6.4	1.7	6.5	0.8	1.0	0.9	5.5
Other	2.7	6.6	2.7	6.7	1.1	1.9	1.6	4.8

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14 January 1974

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